

EXHIBIT 22

Confidential Presentation to:

Fitch Ratings

Annual Update

May 22, 2007

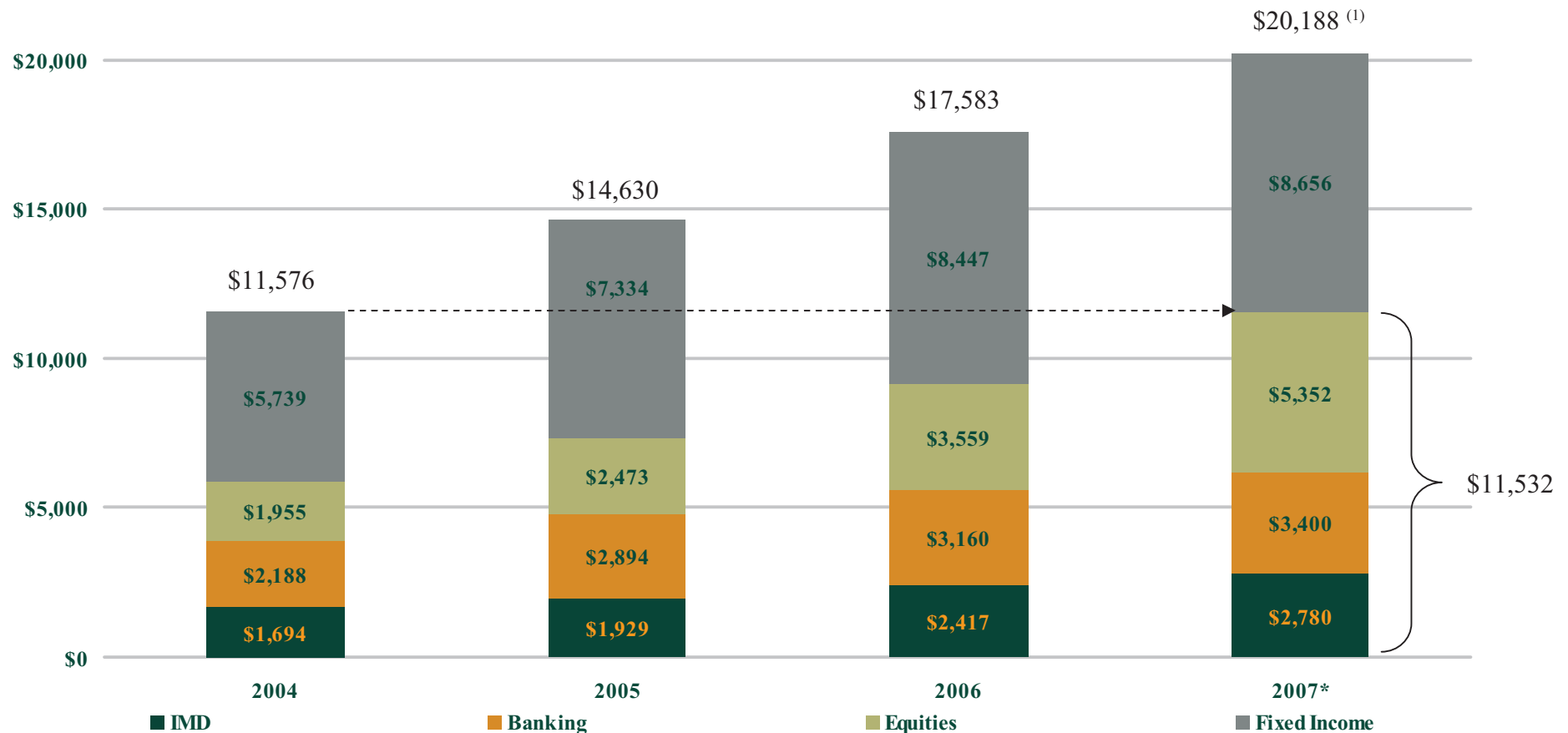
LEHMAN BROTHERS

Diversified Business Portfolio

Franchise Progress

While Fixed Income remains the largest revenue source, and has grown significantly as a result of secular changes (e.g., disintermediation), other businesses have also grown rapidly. The combined non-Fixed Income businesses are roughly the size of the entire Firm three years ago.

Lehman Business Portfolio Composition by Revenues - \$ Millions



1. Figures for 2007* are annualized Q1 2007 figures

Risks and Risk Mitigation

Leveraged Lending and High Yield Update

The nature of risks and risk mitigation deployed is different in different businesses. However the core principles are the same: discipline in taking on exposures, aggressive syndication of positions, active hedging of remaining holds, and careful monitoring of risks

Business	Primary Risk	Risk Mitigation
Leveraged Loans	Concentrated positions subject to price movement ahead of syndication	⇒ <ul style="list-style-type: none"> • Detailed understanding of financials • Stringent commitment process • Aggressive syndication
Bond Origination	Concentrated underwriting exposure	⇒ <ul style="list-style-type: none"> • Equity and CDS hedges • Market swaps • Aggressive Syndication
Bond Trading	Market price movements	⇒ <ul style="list-style-type: none"> • Active trading and CDS / CDX
CLO Warehousing	Idiosyncratic price movements General market movements	⇒ <ul style="list-style-type: none"> • CDS / CDX • Equity Shorts • Risk sharing with CLO managers
Risk Arbitrage	Relative value change	⇒ <ul style="list-style-type: none"> • Options, equity and CDS

Leverage Lending

Leveraged Lending and High Yield Update

The well documented increase in LBO activity has resulted in an increase in overall market activity, more sizable transactions. We have invested in origination capacity in our investment banking team, and also in distribution and hedging.

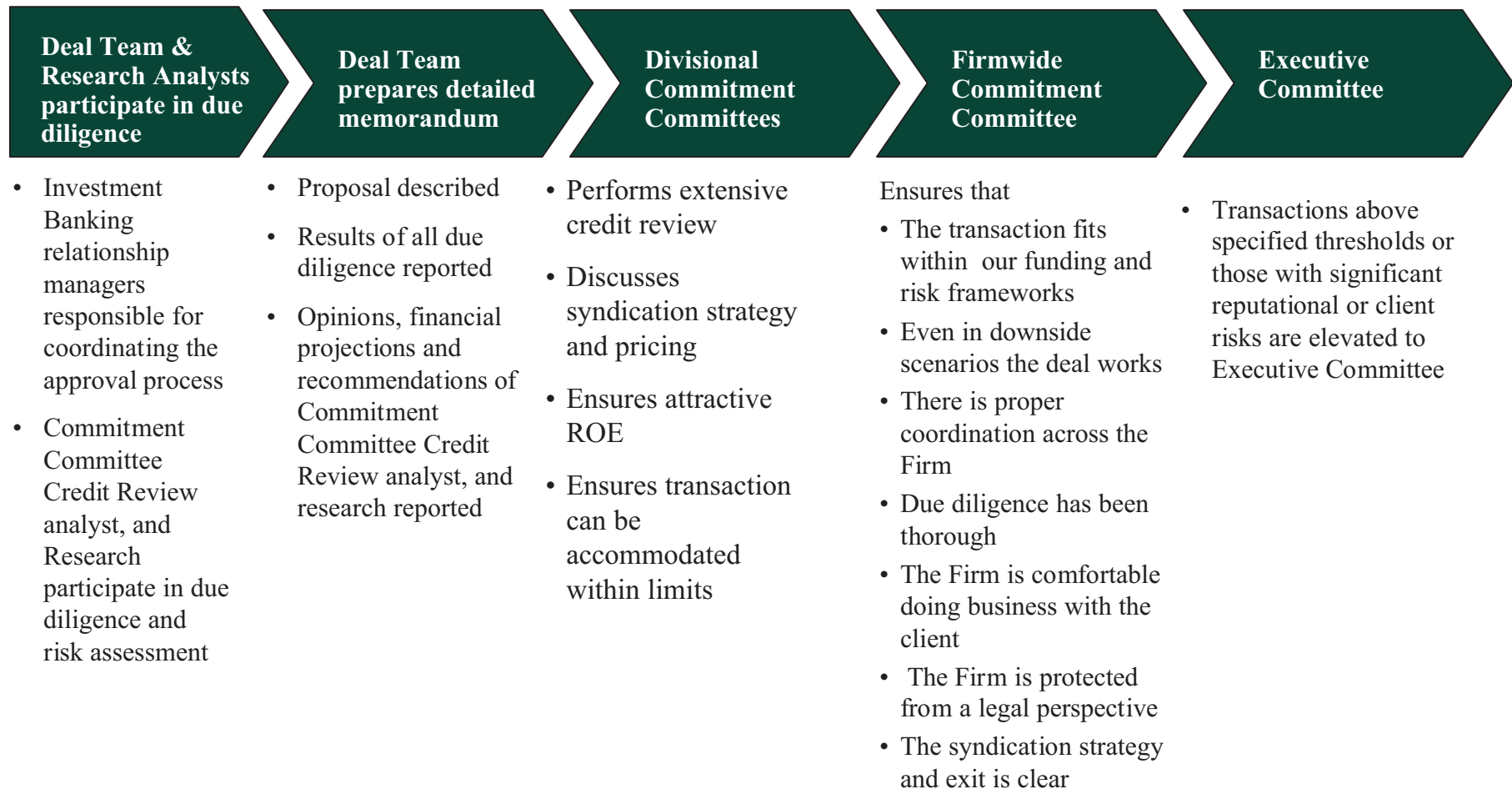
Loan Activity	Risk Element	Risk Mitigation
Commitment Letters	<ul style="list-style-type: none"> • Credit Risk, particularly concentration • Liquidity / Funding 	<ul style="list-style-type: none"> • Understanding of other participants and pricing • Inclusion of commitment by borrower to bring other lenders in • Partners to lay off risk • Pre-funded sources of long-term capital • Partners with committed funding • Origination to LB Banks
Underwriting of Loans	<ul style="list-style-type: none"> • Credit & Market Risk 	<ul style="list-style-type: none"> • Established buyer base • Loan CDS • Aggressive early stage syndication
Post-Syndication Positions	<ul style="list-style-type: none"> • Credit & Market Risk • Liquidity 	<ul style="list-style-type: none"> • Central hedging function • Loan CDS and CDX • Origination to LB Banks • Partners

Risk Mitigation: Loan Commitment Approval Process

Leveraged Lending and High Yield Update

Commitment Process – A series of “checks and balances”

Individual business units and product groups first review and approve transactions prior to them being elevated to Firm wide Committees. Transactions above certain thresholds or those containing significant reputation risk to the firm are elevated to the Executive Committee.

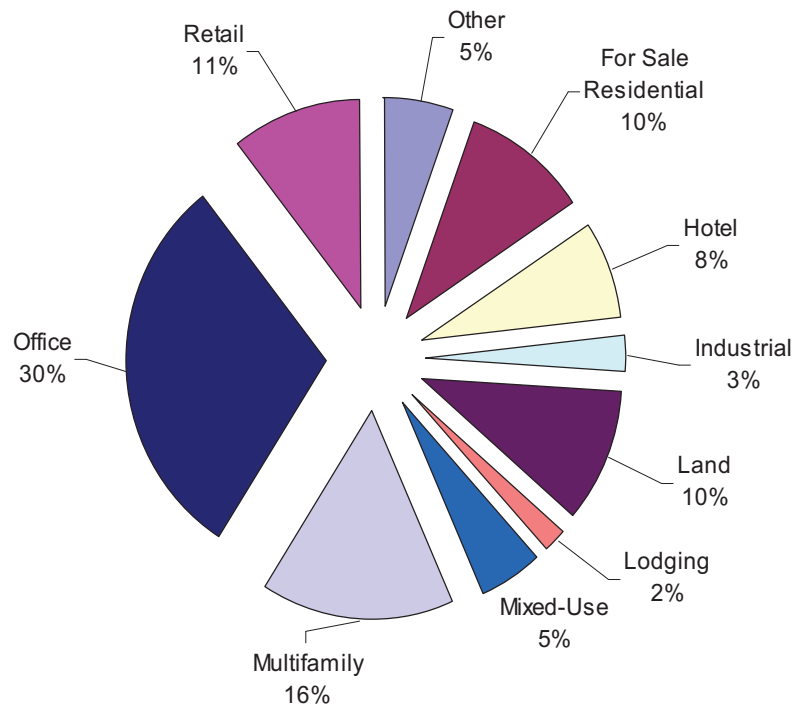


Portfolio Diversification I

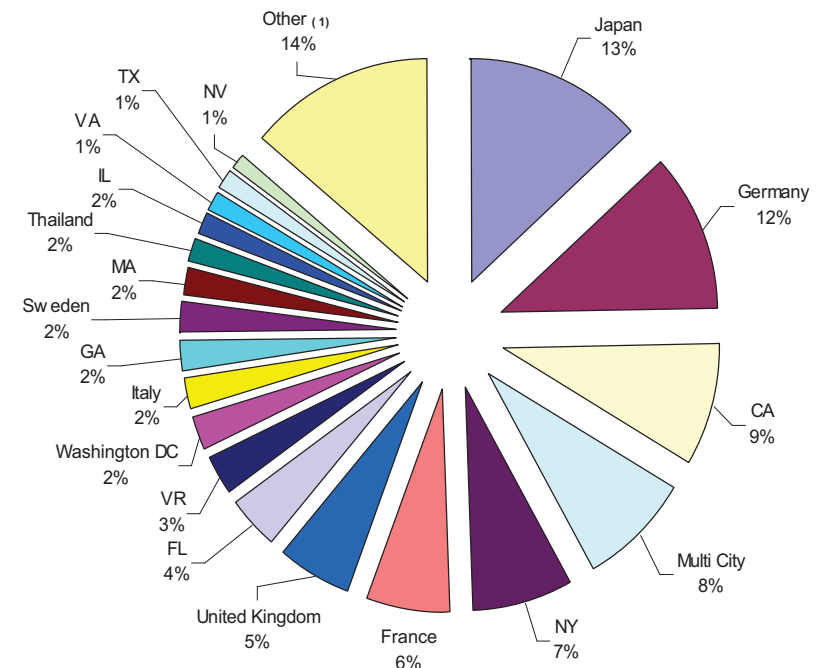
Real Estate Update

There is significant diversification in the portfolio by both asset type and geographical location

Balance Sheet by Property Type



Balance Sheet by Location



Americas = 53%

Europe = 30%

Asia = 17%

1. Other represents 56 other cities/countries